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8
9 **UNITED STATES BANKRUPTCY COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**

12 **In re:**

13 **PG&E CORPORATION,**

14 **- and -**

15 **PACIFIC GAS AND ELECTRIC**
16 **COMPANY,**

17 **Debtors.**

18 ☐ Affects PG&E Corporation

19 ☐ Affects Pacific Gas and Electric Company

☒ Affects both Debtors

20 ** All papers shall be filed in the Lead Case, No.*
21 *19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

PARTIES' JOINT STATEMENT OF
UNDISPUTED FACTS REGARDING
REORGANIZED DEBTORS' SEVENTY-
NINTH OMNIBUS OBJECTION TO CLAIMS
- CLAIM OF DAVID ADDINGTON (CLAIM
NO. 3093)

[Related to Docket No. 10673]

Date: February 15, 2022

Time: 10:00 a.m. (Pacific Time)

Place: (Tele/Videoconference Appearances Only)

United States Bankruptcy Court

Courtroom 17, 16th Floor

San Francisco, CA 94102

1 In advance of the February 15, 2022, 10:00 a.m. omnibus hearing (the “**Hearing**”), PG&E
2 Corporation and Pacific Gas and Electric Company, as debtors and reorganized debtors (collectively, the
3 “**Debtors**” or the “**Reorganized Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11**
4 **Cases**”) on the one hand, and Creditor David P. Addington (“**Addington**”) on the other hand, hereby
5 submit this joint statement of undisputed facts in connection with the Reorganized Debtors’ objection to
6 the claim of Mr. Addington (Claim No. 3093) (the “**Addington Proof of Claim**”) through the
7 *Reorganized Debtors’ Seventy-Ninth Omnibus Objection to Claims (Books and Records Claims)* (the
8 “**Omnibus Objection**”) [Docket No. 10673]:

9 1. On or about December 9, 1908, The Realty Syndicate conveyed to Great Western Power
10 Company an easement for the purpose of constructing and maintaining electrical transmission equipment
11 over a tract of real property in Alameda County, California (the “**Easement**”).

12 2. The document granting the Easement is dated December 9, 1908, and was recorded on
13 March 17, 1909, in Book 1578 of Deeds, Page 189 of Official Records of Alameda County (the
14 “**Grant**”). A handwritten copy of the Grant is attached as **Exhibit A** hereto. The Reorganized Debtors
15 have in their possession a typewritten copy of the Grant, which is attached as **Exhibit B** hereto, that the
16 Reorganized Debtors believe is identical to Exhibit A.

17 3. Pacific Gas and Electric Company (“**PG&E**”) is the successor in interest to Great
18 Western Power Company.

19 4. The servient tenement of the Easement was subsequently subdivided.

20 5. The Easement encumbered 298 Saint James Drive in Piedmont, California, when Mr.
21 Addington purchased the property on November 10, 2015 (the “**Addington Property**”).

22 6. Two utility towers, each of which support six 115 kW transmission lines, (the
23 “**Equipment**”) are currently on the Addington Property. The Equipment has been in this location since
24 before November 10, 2015. PG&E states, and Mr. Addington does not dispute, that PG&E has owned,
25 operated, and maintained the Equipment since before Mr. Addington purchased the Addington Property
26 in November 2015.

27 7. The recorded Easement had not been terminated and was in effect on the Addington
28 Property when Mr. Addington purchased the Addington Property in November 2015.

1 8. The Addington Property is surrounded by other residential properties and Saint James
2 Drive. The Addington Property is 29,118 square feet of land area.

3 9. In 2016, PG&E removed paint and recoated the lattice steel towers on the Addington
4 Property. As part of that work, PG&E believed it was necessary to remove soil from Mr. Addington's
5 property. PG&E and Mr. Addington entered into a Tower Maintenance Work Soil Restoration
6 Agreement dated September 2, 2016 (the **Restoration Agreement**"), which described certain work
7 associated with the removal and replacement of soil from the area impacted by PG&E's tower coating
8 project. A copy of the Restoration Agreement is attached as **Exhibit C** hereto.

9 10. PG&E and Mr. Addington also entered into a Revised Tower Maintenance Work
10 Acknowledgement dated September 2, 2016 (the **"Revised Work Acknowledgement"**), which
11 provided that PG&E would (i) demolish and offhaul a play court and (ii) offhaul 170 cubic yards of soil
12 from the Addington Property. A copy of the Revised Work Acknowledgement is attached as **Exhibit D**
13 hereto.

14 11. The Revised Work Acknowledgement provided that PG&E would pay Mr. Addington
15 \$36,790. This amount was based on a bid that Mr. Addington had obtained from his own contractor,
16 GJR Development. The bid was attached to and made a part of the Revised Work Acknowledgement.
17 PG&E subsequently paid Mr. Addington the \$36,790 owing under the Revised Work Acknowledgement.

18 12. After PG&E and its subcontractors had left the Addington property, a dispute arose based
19 on Mr. Addington's contention that PG&E did not complete all the work it had agreed to perform. To
20 resolve this dispute, PG&E and Mr. Addington entered into a Tower Maintenance Work
21 Acknowledgement Addendum dated November 4, 2016 (the **"Addendum"**). A copy of the Addendum
22 is attached as **Exhibit E** hereto.

23 13. Under this Addendum, PG&E agreed to pay Mr. Addington an additional \$13,000 in
24 consideration for Mr. Addington's agreement that PG&E has performed the work described in the
25 Revised Work Acknowledgement. The Addendum states as follows:

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1 PG&E agrees to pay you \$13,000.00 as additional consideration, bringing
2 the total consideration under the Agreement [the Revised Work
3 Acknowledgement] amount to \$49,790.00. In exchange you agree that
4 PG&E has completed the work described in the Agreement. Please provide
your signature below to indicate your agreement that your acceptance of
this revised total consideration amount will constitute a full and final release
of PG&E from obligations arising under that Agreement.

5 14. Mr. Addington countersigned the Addendum and PG&E paid the additional \$13,000 to
6 Mr. Addington. Mr. Addington executed an Acknowledgment of Payment on November 14, 2016 (the
7 “**Acknowledgement of Payment**”), acknowledging receipt of \$49,790 from PG&E. A copy of the
8 Acknowledgement of Payment is attached as **Exhibit F** hereto. Under his signature, Mr. Addington
9 handwrote: “But he still wants to know how much soil was removed from his property.”

10 15. Mr. Addington has never filed a suit against PG&E for breach of contract or for any other
11 reason.

12 16. From November 2016 through May 2017, Mr. Addington and PG&E exchanged e-mails
13 regarding Mr. Addington’s desired land use.

14 17. On June 1, 2017, Mr. Addington recorded an instrument titled Termination of Easement
15 as Document No. 2017119659 in Official Records of Alameda County (the “**Termination Notice**”). A
16 copy of the Termination Notice is attached as **Exhibit G** hereto. The Termination Notice states that the
17 Grantor [David P. Addington] “hereby terminates and extinguishes [the Easement] as it relates to
18 Grantor’s property.”

19 18. The Termination Notice does not identify a cause or basis for termination of the
20 Easement.

21 19. Only Mr. Addington’s signature appears on the Termination Notice. PG&E did not and
22 does not consent to its recordation.

23 20. Shortly after recording the Termination Notice, on or about June 2, 2017, Mr. Addington
24 sent an e-mail to PG&E demanding that PG&E remove the Equipment from the Addington Property.
25 On June 15, 2017, PG&E rejected this demand in an e-mail to Mr. Addington from Joe Echols of PG&E,
26 which stated as follows:

27 ///

1 Mr. Addington,
2 We are in receipt of your email dated June 2 in which you stated that you
3 have terminated the easement for 298 Saint James Drive in Piedmont.
4 Please note that a private property owner cannot unilaterally terminate an
5 occupied easement. Accordingly, PG&E does not consider your
6 termination of the easement to be valid and will continue to operate and
7 maintain our existing facilities in accordance with our existing easement.
8 No equipment will be removed from your property.
9 Thank you,
10 Joe Echols

11 21. PG&E has not removed the Equipment from the Addington Property. PG&E continues
12 to use the Equipment to transmit electricity in the course of its business.

13 22. Other than as asserted in the Addington Proof of Claim filed in the Chapter 11 Cases, Mr.
14 Addington has never brought an action in any court in connection with the Termination Notice, including
15 to (i) establish or confirm the termination of the Easement as it relates to the Addington Property, or
16 (ii) obtain an injunction or damages against PG&E in connection with the presence and operation of the
17 Equipment on the Addington Property.

18 23. Other than as asserted in the current Chapter 11 Cases, PG&E has never brought an action
19 in any court in connection with the Termination Notice, including to (i) seek a determination with respect
20 to the Easement as it relates to the Addington Property, (ii) obtain an injunction or damages against
21 Addington in connection with the alleged termination of the easement on the Addington Property or
22 (iii) confirm ownership of the Equipment on the Addington property.

23 Dated: December 21, 2021

24 KELLER BENVENUTTI KIM LLP

25 /s/

26 Thomas B. Rupp

27 *Attorneys for Debtors and*
28 *Reorganized Debtors*

/s/

David P. Addington